

1964). you may report on a fiscal basis. However, all employment, payroll, and man-hour figures should relate to the calendar year rather than the fiscal year. (These calendar year payroll records should be available from your tax records.)

In the certification, the dates should show the exact period which the report covers. Thus, if an establishment began to operate or ceased to operate within the year, the dates should span only that "part of the year during which the plant was in operation. If the ownership changed during the year, complete the report only for that part of 1963 in which your company owned and operated the establishment. Report in Item 13 the appropriate information on changes in ownership or operations.

D. How Should Multiple Establishment Companies Determine Transfer Values of Products and Materials From One Establishment to Another ("Interplant Transfers")?

One of the important statistical measures of mining activity is "value added by mining," which is derived by the Census Bureau from the figures reported for value of shipments: capital expenditures; and cost of supplies, purchased fuels and electric energy, contract work, and purchased machinery installed during the year.

In order for statistics on value added and other subjects to be comparable from industry to industry or area to area, it is necessary that the operations of each establishment of a multiple establishment organization be reported as though the establishment were a separate "economic" unit. This means that the value of interplant transfers within a company should include, in addition to direct costs of production, a reasonable proportion of "all other costs (company-overhead) and profits." The establishments receiving such transfers should report them as purchased coal for preparation, supplies, fuels, or electric energy at the same value plus costs of freight and other direct handling charges. (See Item 5.)

ITEMS ON THE REPORT FORM

Item 1. (See instructions on Form.)

Item 2A. Number of employees. — (You may follow the definition of employees specified by your State Employment Security Agency.) — Report part-time and full-time employees at the establishment who worked or received pay for any part of the pay period (preferably one week) ending nearest the 15th of the specified months (i.e., March, May, August, and November of 1963 for "production, development, and exploration

workers" and March only for "all other employees").

Include all persons on paid sick leave, paid holidays, and paid vacation during these pay periods; exclude members of armed forces and pensioners carried on your active rolls. Include officers at this establishment, if a corporation; if an unincorporated concern, exclude proprietor or partners. Exclude workers at coke ovens, fuel briquet plants, and other manufacturing plants, company stores, boarding houses, and recreational centers.

Item 2A, lines b and c. — Divide the total on Line b by FOUR and enter the result on Line c; divide by FOUR even if the establishment did not operate in all four periods.

Item 3. Payrolls. — (You should follow the definition of salaries and wages that is used for calculating the withholding tax.) Report the gross earnings paid in calendar year 1963 to employees on the payroll at the establishment prior to such deductions as employee's Social Security contributions, withholding taxes, group insurance premiums, union dues, and savings bonds. Include in gross earnings commissions, dismissal pay, pay bonuses, vacation and sick leave pay, and the cash equivalent of compensation paid in kind, such as board and housing. Include salaries of officers of this establishment, if a corporation; if an unincorporated concern, exclude pay — payments to proprietor or partners. Exclude payments to members of armed forces, and pensioners carried on your active payroll.

Exclude here, but include in Item 5a, the cost of smithing, explosives, fuses, electric cap lamps, and mine supplies used in production, development, and exploration work but charged to employees and deducted from their wages.

Item 4. Man-Hours of Production and Development. and Exploration Workers. by Departments. The man-hour figures are designed to measure the over-all activity of the establishment during the year on both active and inactive days. The figures should represent all man-hours worked or paid for, except hours for paid vacations, holidays, or sick leave, when the employee was not at the establishment. If an employee elects to work during the vacation period, report only actual hours worked by such employee. Overtime hours should be reported as actual hours worked, not straight-time equivalent hours.

The figures should account for all man-hours worked at this establishment for the entire year by all full-time and part-time production, development, and exploration workers reported in Item 2A. Exclude hours worked by employees of contractors or by proprietors, partners, or firm members.

Item 5. Cost of Supplies, Coal Received for Preparation. Fuels, Electricity, Contract Work, and Machinery. The entries in this item are used by the Census Bureau to calculate the 1963 value added by mining. The figures reported should represent the total purchase cost of supplies, coal received for preparation, fuels, etc., actually used or processed during 1963. Include items charged to both the current and capital accounts.

Include items consumed by the establishment during the year although purchased prior to 1963: coal received from other mines for preparation (this should also be reported separately in Item 11), purchased supplies consumed for production, development, exploration, maintenance, and repair of mine, plant, and equipment, and in plant construction: supplies which you furnished without charge to contractors or sold to employees for use at this establishment: consumption of items received from other establishments of your company for which separate reports are being submitted.

Exclude items received during the year which were not consumed: services such as advertising, telephone, telegraph, cable, insurance, development, and research rendered by other establishments to this establishment, or services of engineering, management, marketing, legal, and other professional consultants, etc.: expenses such as depreciation and depletion charges against plant and equipment, rent and rental allowances, interest payments, royalties, and use of patent fees: supplies (such as timber or lumber), parts, or machinery produced at this establishment: extraordinary losses such as

by fire and flood: and wages of your employees engaged in maintenance and repair work (these should be reported in Item 3).

If your records do not show the amounts actually consumed or processed during 1963, the figures to report may be derived from purchase and other records. Cost of purchases may be used if these do not differ significantly from the amounts actually used. However, if consumption of any major item differs significantly from purchases, the amount used may be estimated by adding beginning-of-year inventories to the amounts purchased and subtracting from this total the cost of supplies on hand at the end of the year.

Cost is delivered cost and should be the amount actually paid or payable after discounts and should include freight and other direct charges incurred by the establishment in acquiring supplies consumed. The cost figures for consumption should represent receipts from all sources, i.e., amounts purchased from other establishments, withdrawn from inventories, or obtained from other establishments of the same company. However, if coal was mined at this establishment in 1963 and also prepared at this establishment, the value of the raw coal before preparation should not be included in the value figures reported.

For supplies, coal for preparation, fuels, and electric energy received from other establishments of your company, cost should be checked against the values reported for the establishment producing and transferring the supply (see Section D above). Freight and other direct handling charges should be added.

Item 5a. Cost of Supplies Used and Coal Received for Preparation. The following list of examples of supplies will indicate the types of items which should be included. The